

**SECRET**

Security Information

13 June 1952


MEMORANDUM FOR: Executive Assistant to the Director

1. Pursuant to your request, herewith is the substance of a conversation between the Director and the Deputy Director (Administration) concerning the release of two employees who have improperly used confidential funds advanced to them:

a. DD/A advised the Director that two individuals had used confidential funds advances for their personal benefit and had not reported the fact to superior authority until they were required to give accountings. At this time they admitted that they had improperly used part of their advances and were unable to repay right away. They both indicated that they fully intended to repay the money but had been unable to do so and stated that they would be willing to repay through deductions from their salaries as soon as possible.

b. The General Counsel has advised that both men are guilty of violation of a criminal statute for which they could be fined and imprisoned.

c. DD/A recommended that both employees be terminated, that action be taken to collect the amounts involved, and that Colonel White, ADD/A, together with the General Counsel and ADD/A-I&S, work out the necessary details and take proper action. The Director approved of this recommendation.

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L. K. WHITE  
Assistant Deputy Director  
(Administration)